VZCZCXRO4502 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #2715 2740225 ZNR UUUUU ZZH P 300225Z SEP 08 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 7589 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/USFJ PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 0114 RUEHNH/AMCONSUL NAHA 2471 RUEHNAG/AMCONSUL NAGOYA 8202 RUEHKSO/AMCONSUL SAPPORO 0689 RUEHOK/AMCONSUL OSAKA KOBE 3856 RUEHBJ/AMEMBASSY BEIJING 5583 RUEHMO/AMEMBASSY MOSCOW 2543 RUEHUL/AMEMBASSY SEOUL 1576 RUCNDT/USMISSION USUN NEW YORK 1859 RHEHAAA/NSC WASHDC

UNCLAS TOKYO 002715

SIPDIS

STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM;
USTR FOR PUBLIC AFFAIRS OFFICE;
TREASURY FOR OASIA/IMI;
SECDEF FOR OASD/PA;
CP BUTLER OKINAWA FOR AREA FIELD OFFICE;
PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A
TAGS: OIIP KMDR KPAO JA
SUBJECT: TOKYO MEDIA BEACTION - GL

SUBJECT: TOKYO MEDIA REACTION - GLOBAL ECONOMY, NORTH KOREA AND PAKISTAN

- 11. LEAD STORIES: Most Tuesday morning papers front-paged a coordinated decision by the central banks of the U.S., Japan, and Europe to provide financial markets an additional \$330 billion in liquidity in order to make credit available in dollars amid a freeze in lending among commercial banks.
- 12. "Bailout Scheme Must be Effective" On the U.S. plan to bail out the financial industry, the conservative Sankei editorialized (8/30): "What is critical is to employ all tools available in order to preempt a financial depression. Elections must not be used as an excuse to prevent that."
- ¶3. "Assistant Secretary Hill Is Facing Crucial Moment" A Washington correspondent for the top-circulation, moderate Yomiuri wrote (9/30): "In his upcoming trip to Pyongyang, Assistant Secretary of State Hill will attempt to find common ground on the issue of nuclear verification in order to jumpstart the nuclear disablement process. If his diplomacy falters, however, the U.S. and South Korea would likely suspend energy assistance for North Korea in order to counter its restoration of nuclear facilities at Yongbyon. The sixparty talks appear to be at a crossroads."
- 14. "Turmoil in Nuclear State Worrisome" On growing political instability in Pakistan, the liberal Asahi asserted in an editorial (9/30): "What is worrisome is that Pakistan possesses nuclear arsenals. If the Zardari government's grip on power wanes, such weapons may fall into the hands of terrorists. This must be prevented at all costs. Preoccupation with Afghanistan runs the risk of undermining security in Pakistan and

this is very dangerous.... The international community should prioritize supporting the civilian Pakistani government in order to help it tamp down domestic unrest."

SCHIEFFER